

TENNESSEE GENERAL ASSEMBLY
FISCAL REVIEW COMMITTEE



FISCAL MEMORANDUM

SB 249 – HB 863

March 20, 2013

SUMMARY OF ORIGINAL BILL: Removes the authority of producers of motor vehicles to lease vehicles to employees without obtaining a motor vehicle sales license.

FISCAL IMPACT OF ORIGINAL BILL:

NOT SIGNIFICANT

SUMMARY OF AMENDMENT (004901): Deletes all language after the enacting clause. Increases, from three to four, the number of vehicles a producer of motor vehicles of the same line-make as the producer or any related business entity produces may lease to eligible employees, without obtaining a motor vehicle license, and provide any maintenance ancillary to the motor vehicles. Defines eligible employee as a full-time employee on a producer's payroll or a leased employee. Removes the current exemption allowing a producer of motor vehicles to lease to employees more than two motor vehicles of the same line-make as produced in this state.

FISCAL IMPACT OF BILL WITH PROPOSED AMENDMENT:

Unchanged from the original fiscal note.

Assumptions for the bill as amended:

- According to the Department of Commerce and Insurance, there will be no impact to existing policies or procedures.
- Any decrease in licensing fee revenue to the Motor Vehicle Commission, will be not significant.
- Pursuant to Tenn. Code Ann. § 4-3-1011, all regulatory boards are required to be self-supporting over a two-year period. The Motor Vehicle Commission had closing balances of \$282,794 in FY10-11, \$436,234 in FY11-12, and a closing reserve balance of \$528,930 on June 30, 2012.

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CERTIFICATION:

The information contained herein is true and correct to the best of my knowledge.

A handwritten signature in black ink, appearing to read "Lucian D. Geise". The signature is fluid and cursive, with the first name "Lucian" written in a larger, more prominent script than the last name "Geise".

Lucian D. Geise, Executive Director

/jdb